

Card Game Rules for Class B, Class C, Class D, Class E, and Class F Licensees

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Operating Commercial Card Games for Class B, Class C, Class D, Class E, and Class F Licensees

230-15-049 Defining "Floor Supervisor."

"Floor supervisor" means a licensed card room employee who directly supervises a limited number of card games and the dealers within a designated area known as the "pit."

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-560 Floor supervisor defined.

A floor supervisor is a licensed card room employee who shall be responsible for directly supervising a limited number of card games and the dealers assigned to those games within a designated area known as the "pit."

[Statutory Authority: RCW 9.46.070. 00-09-052 (Order 383), § 230-40-560, filed 4/14/00, effective 5/15/00.]

What we changed: We removed this section of the rule.

Why: The same material is covered by other sections of the rules, in particular security and accounting rules.

~~WAC 230-40-830 Cashier's cage -- Requirements -- House-banking. Cage not required.~~

~~(5) Licensees not offering house-banked card games shall not be required to meet the above requirements: Provided, That licensees shall maintain a system for securing and properly accounting for all gaming chips and moneys.~~

What we changed: We removed this section of the rule

Why: The same material is covered by other sections of the rules regarding the posting of house rules.

~~WAC 230-40-050 Fees for nonhouse-banked card games -- Assessment and collection -- Maximum fees. Fee schedule.~~

~~(5) A schedule setting forth all fees to participate in card games s230-15-053 shall be posted in plain view where it can be seen by the players in the card games;~~

230-15-055 Fees for decks of cards.

(1) Class B, Class C, Class D, Class E, and Class F licensees may charge a fee to a player asking for a new deck of cards.

(2) In addition, Class D licensees may charge a fee for every deck supplied to a table.

(3) The fee must not be greater than the Class B, Class C, Class D, Class E, and Class F licensee's actual cost for the deck.

(4) At the time Class B, Class C, Class D, Class E, and Class F licensees introduce new decks, they must collect the fee in cash directly from the player requesting the deck or the players of the game.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-050 Fees for nonhouse-banked card games -- Assessment and collection -- Maximum fees.

New decks of cards - fees.

(6) A person requesting a new deck of cards beyond those regularly furnished by the licensee may be charged a fee not to exceed the actual cost to the licensee for the deck. Class D licensees may charge a fee not to exceed actual cost to the licensee per deck for each deck of playing cards furnished to a table as required by these rules, or as requested by any player at the table. The fee shall be collected in cash directly from the players, or the player requesting the deck, at the time the deck is introduced into the game;

230-15-056 Fees for cutting cards in player-dealt games.

In player-dealt games:

(1) After the shuffle the dealer must offer the cards for a cut. After this initial offer of a cut, the dealer may require that players pay a maximum of one dollar for cutting the cards.

(2) Dealers must:

- (a) Not cut the cards more than twice during each hand or game; and
- (b) Place all the fees for cutting the cards into the pot for that hand or game.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-063 Charge for cutting cards.

After the shuffle, the dealer will offer the cards for a cut. Following this initial offer of a cut, the licensee may require that a player pay not more than one dollar for the privilege of cutting the cards, provided that the cards may not be cut more than twice during each hand or game and that any and all such fees be placed into the pot for that hand or game.

[Statutory Authority: RCW 9.46.070 (8) and (11).]

230-15-057 Rotating the deal among players.

(1) If the Class B, Class C, Class D, Class E, and Class F licensee does not provide a dealer, the deal must pass from player to player.

(2) A player may not deal another game until all of the players at the table have had their turn to deal, though players may voluntarily waive their right to deal any particular game.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-200 Players to compete on equal terms -- Deal to rotate among players.

The deal in any series of nonhouse-banked card games shall be passed from player to player, unless the table incorporates a house dealer as per house rule. No player who deals a game shall deal another game until each other player at the table has dealt a game in his turn: Provided, That any player may voluntarily waive his right to deal any particular game.

[Statutory Authority: RCW 9.46.070. 00-09-052 (Order 383), § 230-40-200, filed 4/14/00, effective 5/15/00. Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109, § 230-40-200, filed 11/22/95, effective 1/1/96. Order 40, § 230-40-200, filed 6/26/75; Order 23, § 230-40-200, filed 9/23/74.]

Additional Rules for Class F Card Games

What we changed: We removed the word "security" from this section of the rule
Why: Many Class F licensees do not, and are not required to, have a separate security department. We therefore made a separate rule regarding supervision WAC 230-15-060, which Class F licensees must follow.

230-15-058 Internal controls.

Class F licensees must establish internal controls that ensure gambling activities are closely controlled and operated fairly.

(1) The internal controls must require, at a minimum:

- (a) Trained personnel; and
- (b) Segregation of duties for all employees involved in the operation; and
- (c) Fee collection and funds safeguarding procedures; and
- (d) Playing card and chip inventory.

(2) Class F licensees must inform their card room employees of the internal controls related to the employees' respective areas of responsibility.

(3) Operators and all card room employees must follow the internal controls at all times.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-615 Nonhouse-banked card games -- Administrative and accounting control structure -- Organization.

Licensees conducting activities that require a Class F license shall assure that such activities are closely controlled. Class F licensees shall comply with the following additional requirements:

(1) Establish a system of internal administrative and accounting controls that requires, at a minimum, the following:

- (a) Trained personnel;
- (b) Segregation of duties for all employees involved in the operation;
- (c) Fee collection and funds safeguarding procedures;
- (d) Playing card and chip inventory; and
- (e) Security and supervision requirements.

230-15-060 Minimum number of licensed employees required.

At a minimum, Class F licensees must have:

- (1) One supervisor for every seven tables; and
- (2) One supervisor in each area where card games are played if Class F licensees use separate areas for the games; and
- (3) Two licensed card room employees in the card room at all times player-supported jackpots are in play or Class F licensees are using a rake or alternative methods of fee collection. One of the employees must be a floor supervisor.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-615 Nonhouse-banked card games -- Administrative and accounting control structure -- Organization.

(2) The licensee shall have adequate licensed employees to assure commission requirements are met. At a minimum, the following employees are required:

(a) At least one supervisor for every five tables shall be required:

Provided, That a single supervisor may supervise up to seven tables, if only seven tables are in operation and the layout was preapproved by commission staff;

(b) A licensee which utilizes two separate areas of a particular gaming establishment shall require at least one supervisor in each area; and

(c) The licensee must have at least two licensed card room employees in the card room at all times player-supported jackpot schemes are in play and/or alternative methods of collection are being utilized. One such employee must be a floor supervisor.

[Statutory Authority: RCW 9.46.070. 00-09-052 (Order 383), § 230-40-615, filed 4/14/00, effective 5/15/00.]

230-15-061 Numbering tables.

Class F licensees must permanently number each table.

[Statutory Authority: RCW 9.46.070.]

230-15-065 Transporting drop boxes.

For Class F licensees using drop boxes, the supervisor or the supervisor's designee must transport drop boxes directly to the count area.

[Statutory Authority: RCW 9.46.070.]

Note: 230-40-050 (3)(c) refers those using drop boxes to 230-40-840, a house-banked rule; however, not all these things are Class F requirements.

WAC 230-40-840 Drop boxes -- House-banking -- Drop box collection method.

Transportation to the count room.

(3) All drop boxes removed from the gaming tables shall be transported directly to the count room and secured by one security department member and one employee of the gaming operation department: Provided, That licensees not required to maintain a count room shall transport drop boxes directly to the count area using the supervisor or the supervisor's designee for the transport: Provided further, That a licensee may utilize the count team members to pull and transport the drop boxes to the count room for the count process, if conducted under the supervision of security when the gaming operation is closed and the card room entrances/exits are locked.

230-15-066 Counting procedures for fees.

Class F licensees must have a count room or a separate secure location to conduct the count. When Class F licensees count fees, they must:

- (1) Conduct the count at a specific time that Class F licensees have reported to us; and
- (2) Count all fees at least once every 24 hours; and
- (3) Have at least two card room employees count and record the amount on the count slip for each drop box; and
- (4) Make an entry in the daily card room record for each type of fee collected at each table. Class F licensees must retain card room control slips for each table with the daily records.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-630 Count procedures -- Class F card rooms.

Class F card rooms must follow certain procedures when conducting a count of fees. The following requirements shall be met:

- (1) The count shall occur at a specific time that has been reported to commission staff;
- (2) All fees shall be counted at least once each operating day;
- (3) The count shall be made by at least two licensed employees of the card room who shall record the amount on the count slip for each drop box;
- (4) The surveillance requirements of WAC 230-40-625 shall be met; and
- (5) An entry shall be made in the daily card room record for each table and each type of fee collected at a table. Count slips for each table shall be retained with the daily records.

[Statutory Authority: RCW 9.46.070. 01-13-091 (Order 403), § 230-40-630, filed 6/19/01, effective 7/20/01.]

WAC 230-40-880 Count room requirements.

- (1) There shall be a room specifically designated for counting the contents of drop boxes, which shall be known as the "count room": Provided, That **licensees not offering house-banked card games** shall not be required to maintain a count room for counting the contents of drop boxes if they have another secure location and they meet all other commission requirements for surveillance and counting procedures.
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Player-Supported Jackpots

230-15-080 Defining "player-supported jackpot."

"Player-supported jackpot"(PSJ) means a separate contest of chance directly related to the play or outcome of an authorized nonhouse-banked card game.

(1) Only Class F or house-banked licensees may establish a prize fund for the purpose of operating a PSJ for nonhouse-banked card games.

(2) In PSJs, Class F or house-banked licensees:

- (a) Collect funds from the players' wagers (the pot) for a separate prize; and
- (b) Act only as the custodian of the PSJ funds, including any interest earned on this money; and
- (c) Maintain no legal right to the funds; and
- (d) Must strictly account for all funds.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-610 Player-supported jackpots — Restrictions — Manner of conducting — Approval.

A player-supported jackpot (PSJ) is a separate contest of chance directly related to the play and/or outcome of authorized nonhouse-banked card games but which is not the card game itself. Card rooms with a Class F or house-banked license may establish a prize fund for the purpose of operating a PSJ for nonhouse-banked card games. Any PSJ must be approved in writing by the director or the director's designee prior to play.

230-15-081 Getting approval for player-supported jackpots.

(1) Class F or house-banked licensees must not operate a player-supported jackpot (PSJ) before we approve it in writing.

(2) To get a PSJ approved, Class F or house-banked licensees must make a written request, including, at least:

- (a) A detailed description of the card game associated with the PSJ; and
- (b) All rules of play; and
- (c) All internal control procedures associated with the PSJ and accounting for funds and prizes; and
- (d) The name of the prize fund custodian.

(3) Class F or house-banked licensees must get our written approval before making any changes to the PSJ.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-600 Authorization procedures for player-supported jackpots.

Player-supported jackpots (PSJs) shall be tightly controlled and shall not be operated prior to approval by the director or the director's designee. The following procedures apply to approval of PSJs:

(1) The request shall be in writing and include at least the following:

- (a) A detailed description of the game;
- (b) All internal control procedures associated with controlling the game and accounting for fees and prizes;
- (c) All rules of play; and
- (d) The name of the prize fund custodian.

(2) Any changes to the approved game or applicable internal controls must be forwarded to the commission staff for review and approval prior to implementation. Taken out because in another rule about changes to the card game.

[Statutory Authority: RCW 9.46.070. 00-09-052 (Order 383), § 230-40-600, filed 4/14/00, effective 5/15/00.]

WAC 230-40-610 Player-supported jackpots -- Restrictions -- Manner of conducting -- Approval.

player-supported jackpot (PSJ) is a separate contest of chance directly related to the play and/or outcome of authorized nonhouse-banked card games but which is not the card game itself. Card rooms with a Class F or house-banked license may establish a prize fund for the purpose of operating a PSJ for nonhouse-banked card games. Any PSJ must be approved in writing by the director or the director's designee prior to play.

230-15-085 Naming a prize fund custodian for a player-supported jackpot.

- (1) Class F or house-banked licensees must name at least one prize fund custodian who is responsible and accountable for safeguarding player-supported jackpot funds, and for disbursing funds to winners.
- (2) A prize fund custodian may be an owner, partner, officer, or licensed individual named by the Class F or house-banked licensee.
- (3) The custodian must have signature authority for prize fund bank accounts.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-610 Player-supported jackpots -- Restrictions -- Manner of conducting -- Approval.

Prize fund custodian.

(4) Each licensee shall designate at least one "prize fund custodian" who shall be responsible for safeguarding and disbursing funds to winners. A prize fund custodian may be an owner, partner, officer, or licensed individual designated by a card room owner, partner, or officer. The custodian shall have signature authority for prize fund bank accounts and ensure accountability of all funds collected for use in a PSJ. The licensee shall meet the deposit requirements of WAC 230-40-608.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403),

§ 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]

230-15-083 Posting rules for a player-supported jackpot.

Class F or house-banked licensees must prominently post a sign stating

- (1) How they will distribute player supported jackpot (PSJ) money if they discontinue the PSJ or stop operating the card game.
- (2) How a PSJ will be distributed in the event it is discontinued or the business closes; and
- (3) Conditions under which prizes may be won; and
- (4) Prize amount; and
- (5) Cost to participate; and
- (6) Administrative fees; and
- (7) Any other conditions which may affect the outcome of the game.

WAC 230-40-505 Rules of play for social card games -- Display -- Posted rules.

(2) Any rules related to the following shall be conspicuously posted in a location readily visible by all players.

- (a) Wagering limits for each type of game, including the ante as specified in WAC 230-40-120(3);
- (b) Prize pay-outs and any restrictions related to prizes;
- (c) Whether employees are allowed to play;
- (d) Procedures for resolving player disputes; and
- (e) For player-supported jackpots (PSJ):
 - (i) How a PSJ will be distributed in the event it is discontinued or the business closes;
 - (ii) Conditions under which prizes may be won;
 - (iii) Prize amount;
 - (iv) Cost to participate;
 - (v) Administrative fees; and
 - (vi) Any other conditions which may affect the outcome of the game.

WAC 230-40-610 Player-supported jackpots — Restrictions — Manner of conducting — Approval.

(11) House rules, to include administrative fees shall be posted in a location readily visible by all players and disclose the conditions under which prizes may be won, the prize amount, cost to participate, and any other conditions which may affect the outcome of the game.

What we changed: We clarified the process of contributing and recovering "seed" money in Player Supported Jackpots (PSJs). We also added a rule interpretation about how many times a PSJ may be seeded.

Why: We made this change because we get a number of interpretation questions about contributing and recovering seed money. Because the money for seeding comes from the licensee and can be recovered by the licensee, a PSJ may be seeded as many times as the licensee wishes. Practical application of a limit on seeding was problematic for enforcement.

230-15-083a Seeding a player-supported jackpot

Class F or house-banked licensees may:

- (1) Provide up to five thousand dollars seed money from house funds to start a PSJ. Class F or house-banked licensees must issue a check from their business account for the seed money to the PSJ account to start the prize fund; and
- (2) Class F or house-banked licensees may replenish the PSJ as funds are depleted with up to five thousand dollars at a time; and
- (3) Recover seed money by having the custodian issue a check or make an electronic bank transfer from the PSJ account to the Class F or house-banked licensee's business account.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-610 Player-supported jackpots -- Restrictions -- Manner of conducting -- Approval. Funding a PSJ.

A PSJ must meet the following requirements:

- (1) A licensee may provide house funds to establish a PSJ. The licensee shall issue a check from the general business account into the PSJ account to start the prize fund. Recouping of start up funds shall be done by issuing a check from the PSJ account to the business general account. Electronic bank transfers shall satisfy this requirement. Start up funds shall not exceed five thousand dollars per PSJ.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403), § 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]

What we changed: We have rewritten this rule to use consistent terms for the types of fees and the collection methods. Rake is a type of fee and chip rack or drop box are the collection methods.

Why: The original rule confused the two terms.

230-15-084 Collecting funds for a player-supported jackpot.

Class F or house-banked licensees may collect up to two dollars per hand or game from the pot for each player-supported jackpot. Class F or house-banked licensees:

- (1) Must keep these funds separately from all other fees; and
- (2) Must use either the chip rack or drop box method to collect these funds.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-610 Player-supported jackpots -- Restrictions -- Manner of conducting -- Approval.

Using a rake to fund a PSJ.

(2) A licensee may assess a portion of players' wagers for a jackpot prize. Such amount shall not exceed ~~one~~ two dollars per hand or game for each PSJ. This assessment shall be separately collected using the rake method.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403), § 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]

230-15-086 Collecting an administrative fee on the player-supported jackpot.

Class F or house-banked licensees may collect an administrative fee of up to ten percent of the funds collected for a player supported jackpot (PSJ). Licensees must deduct no other expenses from the PSJ account.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-610 Player-supported jackpots -- Restrictions -- Manner of conducting -- Approval.

PSJ funds are player funds - exception from administrative fee.

No interest/no legal rights 230-15-080

(3) The licensee acts only as the custodian of the PSJ funds, including any interest earned on this money, and maintains no legal right to the funds. All PSJ funds shall be awarded as prizes, based upon a format approved by commission staff. An administrative fee not to exceed ten percent of the amount collected for a PSJ may be imposed by the licensee. This administrative fee includes all

expenses incurred by the licensee, including banking fees No means no—no need to tell them again that they have no interest.

No other expenses beyond the ten percent administrative fee shall be deducted from the PSJ account.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403), § 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]

230-15-088 House dealer required for a player-supported jackpot.

Class F or house-banked licensees must use a house dealer for all card games offering a player-supported jackpot (PSJ). No one playing in the PSJ game may deal.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-610 Player-supported jackpots -- Restrictions -- Manner of conducting -- Approval.

House dealer required.

(8) All card games offering a PSJ must utilize a house dealer.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403), § 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]

What we changed: We clarified the rule and used consistent terms. "Bank, mutual savings bank, or credit union regulated by the Washington state Department of Financial Institutions" are new terms which will be used in all chapters. We also added in a rule interpretation about transferring funds before the end of the month. Additionally, we introduced a definition of the word "reconcile" to explain what we mean when we use this word.

Why: We have rewritten this rule using new terms which we defined in the Licensing chapter. We changed the requirements about transferring funds because some licensees were making transfers every few months instead of once a month. We defined "reconcile" because not all licensees were conducting a proper reconciliation of records.

230-15-087 Accounting for player-supported jackpot funds.

Class F or house-banked licensees must:

- (1) Keep a separate bank account in a bank, mutual savings bank, or credit union regulated by the Washington state Department of Financial Institutions for holding player-supported jackpot (PSJ) funds; and
- (2) Deposit only funds from PSJs into the account; and
- (3) Not make payouts from the PSJ funds until Class F or house-banked licensees have first deposited the funds in the PSJ account. However, licensees may pay out prizes won during the gambling day and deduct administrative expenses before licensees deposit the funds; and
- (4) Deposit the PSJs funds into the PSJ account or with an armored car service within two banking days of the date of collection; and
- (5) Identify all deposits of PSJ funds by the type of PSJ fund and date of collection. Class F or house-banked licensees must keep the validated deposit receipts as a part of their required daily records; and
- (6) Transfer the amount from the PSJ account to the cage or general account before the end of the month if PSJ prizes are paid from the cage or general account. The Class F or house-banked licensee must keep the transfer information as part of the written records; and
- (7) Reconcile the account balance in their bank statement to the PSJ prize balance on their PSJ fund accrual record each month. "Reconcile" means the Class F or house-banked licensee must compare the two balances, resolve any differences, and document the comparison and the differences in writing. Class F or house-banked licensees must keep the reconciliation as part of their records.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-608 Deposit requirements -- Player-supported jackpot funds.

Each licensee authorized to conduct player-supported jackpots (PSJs) shall protect and ensure proper accountability of all funds collected from players. Funds shall be controlled as follows:

- (1) Each licensee shall maintain a bank account for holding PSJ funds. The account shall be kept separate from all other accounts of the entity and be maintained in a recognized Washington state depository for purposes of depositing PSJ funds.
- (2) Only receipts from PSJs shall be deposited into the account.
- (3) No expenditures shall be made from the receipts of any PSJ until such receipts have first been deposited in the PSJ: Provided, That licensees may pay out prizes won during the operating day and deduct administrative expenses prior to deposit.
- (4) Receipts from the operation of PSJs, which are being held pending disbursement, shall be deposited in the licensee's PSJ account within two banking days of the date of collection: Provided, That funds deposited within two days to an armored car service shall meet this requirement.

(5) All deposits of PSJ funds shall be specifically identified by type of fund and dates of collection. The validated deposit receipt shall be kept as a part of the records required by WAC 230-40-052.

(6) At the end of each month, the account balance per the bank statement shall be reconciled to the PSJ fund balances. The reconciliation shall be kept as a part of the records required by WAC 230-40-052.

[Statutory Authority: RCW 9.46.070. 01-13-091 (Order 403), amended and recodified as § 230-40-608, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-12-072, filed 4/14/00, effective 5/15/00.]

What we changed: We removed the phrase "unless released by a commission agent" from subsection (6) where it says a licensee must retain the cards from a winning hand for seven days.

Why: We were unable to recall a single time that a commission agent has released a Class F or house-banked licensee from the requirement to keep the winning hand on the business premises for seven days. Also, seven days is a short retention requirement.

230-15-089 Paying out prizes on a player-supported jackpot.

(1) Class F or house-banked licensees must award all player-supported jackpot funds as prizes; and

(2) Prizes awarded in cash must not exceed two thousand five hundred dollars; and

(3) Prizes not awarded in cash must be paid within twenty-four hours with a check that provides a duplicate copy; and

(4) Class F or house-banked licensees must keep a record of all prizes paid in the format we require; and

(5) When a player wins a prize of five hundred dollars or more, in view of the surveillance camera, the dealer must:

(a) Display the value and suit of each card in the winning hand; and

(b) Count and put in numerical order by suit the remaining cards in the deck to confirm a complete deck; and

(6) Class F or house-banked licensees must collect the hand and seal it with a copy of the prize record. Licensees must keep the winning hand and remaining deck on the business premises for seven gambling days.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-610 Player-supported jackpots -- Restrictions -- Manner of conducting -- Approval.

Payout of prizes.

(5) Prize amounts paid in cash shall not exceed two thousand five hundred dollars. Prize amounts not awarded in cash shall be paid within twenty-four

hours, by check, the type which provides a duplicate copy. A record of all prizes paid shall be maintained in the format prescribed by commission staff and shall include:

(a) For prizes less than one hundred dollars, a system of accounting denoting each individual prize may be utilized.

(b) For prizes one hundred dollars and above, the following information shall be recorded on a prize record:

(i) Full printed name;

(ii) Date of birth;

(iii) Street address;

(iv) Type of identification reviewed;

(v) Amount of the prize awarded;

(vi) Description of the winning hand;

(vii) Time and date awarded; and

(viii) The supervisor's and dealer's initials.

(c) When awarding a prize of five hundred dollars or more, the dealer must, in view of the surveillance camera, display the value and suit of each card in the winning hand, and the remaining cards in the deck must be counted and put in numerical order by suit to confirm a complete deck. The hand shall be collected and sealed with the prize record. The winning hand and remaining deck shall be maintained on the premises as part of daily card room records for a period of seven days, **unless released by a commission agent.**

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403), § 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]

What we changed: We have added the words "prize fund custodian" into subsections (2-3)

Why: We believe that it was inadvertently left out when the rule was originally passed. It's important that the prize fund custodians be held to the same standards as owners and card room employees when they are participating in PSJs.

230-15-090 Owners, prize fund custodians, and card room employees participating in player-supported jackpots.

(1) Class F or house-banked owners, prize fund custodians, and on-duty card room employees may play in card games that offer a player-supported jackpot (PSJ), but must not share in the winnings of any prize awarded.

(2) Any prizes an owner, prize fund custodian, or on-duty employee may be entitled to under game rules must be divided equally among the other players at the table.

(3) Owners, prize fund custodians, and on-duty card room employees must turn their cards face up at the end of a game so that other players at the table and surveillance may observe their cards if:

- (a) They are playing in a game with a PSJ; and
- (b) The prize is not based on a predetermined hand, such as four of a kind; and
- (c) There is a qualifying hand at the end of a game, such as a "bad beat" hand.

(4) Card room employees that are off duty may win PSJ prizes.

[Statutory Authority: RCW 9.46.070.]

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Owners and employees competing for a PSJ.

(6) Owners, custodians and on-duty card room employees may participate in card games that offer a PSJ, but may not share in the winnings of any prize awarded. Any prize winnings an owner or on-duty employee may be entitled to under game rules, must be divided equally among the other players at the table: Provided, That off-duty employees may participate in card games that offer a PSJ and share in the prize winnings.

Owners and employees showing cards.

(7) Owners and on-duty card room employees must turn their cards face up at the end of each game so they may be observed by other players at the table and surveillance if:

- (a) Playing in a game with a PSJ;
- (b) The prize is not based upon a predetermined hand;
- (c) There is a qualifying hand at the end of a game (such as a "bad beat" hand).

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403), § 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]

What we changed: We have rewritten this rule to include an existing rule interpretation about taxing authorities.

Why: We are attempting to clarify the rule to explain that licensee must immediately stop offering the player-supported jackpot if taxing authorities seize the money from a player-supported jackpot..

230-15-091 Removing a player-supported jackpot from play.

(1) If Class F or house-banked licensees discontinue a PSJ, they must distribute the balance, less any seed money, to players within sixty days by offering an approved promotion or tournament of the same card game played to fund the PSJ.

(2) If Class F or house-banked licensees stop operating card games or fail to keep a valid card room license, they must immediately distribute all PSJ funds to the Washington State Council on Problem Gambling.

(3) If taxing authorities seize a PSJ account, the Class F or house-banked licensee must immediately stop offering the PSJ and collecting additional funds for the PSJ until all funds have been replaced in the PSJ account.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-610 Player-supported jackpots -- Restrictions -- Manner of conducting -- Approval.

Removing a PSJ from play.

(10) The following procedures shall be followed for all discontinued player-supported jackpots:

Discontinued.

(a) In the event a licensee elects to discontinue a PSJ, the balance, less any nonrecouped seed money, shall be distributed to players within sixty days of discontinuance by offering an approved promotion or card tournament of the same game under which the PSJ was originally accrued.

Closure of business.

(b) In the event a licensee ceases to operate a card room, or fails to maintain a valid card room license, all funds associated with the PSJ shall be distributed to the Washington state council on problem gambling.

Posting rules.

(c) The licensee shall conspicuously post a sign stating how PSJ money will be distributed in the event the PSJ is discontinued or the business closes. The sign must be posted at the inception of the PSJ. **Moved to 230-15-083 Starting a PSJ.**

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403),

§ 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]

What we changed: We have rewritten this rule to indicate that some disputes will be resolved.

Why: The director or staff often do not have to intervene in card game disputes; therefore, we changed "will intervene" to "may intervene."

230-15-092 Resolving disputes over player-supported jackpots.

(1) If a dispute arises involving the outcome of a player supported jackpot (PSJ), Class F or house-banked licensees must:

- (a) Preserve the video recording, the winning hand and remaining deck, and all records for the game where the dispute occurred; and
- (b) Document all information about the dispute, including:
 - (i) The names, addresses, and phone numbers of all players, card room staff, and any witnesses involved; and
 - (ii) The amount of the advertised PSJ; and
 - (iii) A full description of the circumstances surrounding the dispute; and
- (c) Notify us within twenty-four hours.

(2) We will investigate complaints involving PSJ disputes and the director may issue a written decision which is final.

(3) During the course of dispute resolution, we may become the temporary custodian of any prize funds.

(4) Class F or house-banked licensees must not award or advertise the prize amount which is in dispute until it is resolved.

[Statutory Authority: RCW 9.46.070.]

WAC 230-40-610 Player-supported jackpots -- Restrictions -- Manner of conducting -- Approval.

Dispute resolution.

(12) If a dispute arises involving the outcome of a PSJ, the licensee shall preserve the video recording, the winning hand and remaining deck, and all records for the game where the dispute occurred and shall notify commission staff within twenty-four hours. The licensee shall document all information pertaining to the dispute including:

- (a) The names, addresses, and phone numbers of all players, card room staff, and any witnesses involved;
- (b) Amount of the advertised PSJ; and
- (c) A full description of the circumstances surrounding the dispute.

(13) All disputes involving a PSJ will be investigated by commission staff, with a report submitted to the director. A written decision will be issued by the director, or the director's designee, and such decision shall be final.

(14) During the course of dispute resolution, the commission may become the temporary custodian of any and all prize funds. The PSJ will be suspended until the dispute is resolved.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403), § 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]

What we changed: We have removed this rule.

Why: Other rules contain the same requirements about surveillance and there were no security requirements in the old rule WAC 230-40-825

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Security requirements.

(9) Each gaming table offering a PSJ shall be required to install a closed circuit television system as outlined in WAC 230-40-625: Provided, That licensees operating any house-banked card games shall follow the security requirements set forth in WAC 230-40-825 for all tables in the card room, including those offering a PSJ.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 05-23-129 (Order 452), § 230-40-610, filed 11/21/05, effective 1/1/06. Statutory Authority: RCW 9.46.070. 04-24-038 (Order 439), § 230-40-610, filed 11/24/04, effective 1/1/05; 02-17-033 (Order 414), § 230-40-610, filed 8/13/02, effective 1/1/03; 01-13-091 (Order 403), § 230-40-610, filed 6/19/01, effective 7/20/01; 00-09-052 (Order 383), § 230-40-610, filed 4/14/00, effective 5/15/00.]
